

ORIGINAL



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**UniSourceEnergy  
SERVICES**

88 E. Broadway Blvd., Post Office Box 711,  
Tucson, Arizona 85702

February 13, 2012

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007

Re: Notice of Filing – UNS Electric, Inc.'s Demand-Side Management Surcharge Rider R-2  
Docket No. E-04204A-11-0056, Decision No. 72747 (January 20, 2012)

UNS Electric, Inc. ("UNS Electric") hereby files the Demand-Side Management Surcharge Rider R-2 in compliance and consistent with Arizona Corporation Commission Decision No. 72747. Clean and redlined versions of the tariffs are attached.

If you have any questions or require further information, please contact me at (520) 884-3680.

Sincerely,

Jessica Byrne  
Regulatory Services

Cc: Compliance Section, ACC

Arizona Corporation Commission

**DOCKETED**

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DOCKETED BY	
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RECEIVED  
AZ CORP COMMISSION  
DOCKET CONTROL

**CLEAN**



UNS Electric, Inc.  
Rider R-2  
Demand Side Management Surcharge (DSMS)

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APPLICABILITY

The Demand Side Management Surcharge (DSMS) applies to all customers, except customers who take service under the Customer Assistance Residential Energy Support (C.A.R.E.S) pricing plan or Low income Medical Life Support Program (C.A.R.E.S.-M) pricing plan in all territory served by UNS Electric, Inc. as mandated by the Arizona Corporation Commission, unless otherwise specified. C.A.R.E.S. and C.A.R.E.S.-M customers are exempt from any DSM surcharge.

RATE

The following DSM Surcharge is effective January 23, 2012. The DSMS shall be applied to all monthly net bills except for C.A.R.E.S. customer at the following rate:

All kWh @ \$0.004382 per kWh

REQUIREMENTS

The UNS Electric, Inc. DSMS will be calculated and filed with the Arizona Corporation Commission (ACC) for approval on or before June 1st. The ACC will approve the surcharge to be billed to all applicable pricing plans for twelve (12) months beginning each January 1. These requirements are pursuant to the rule making on Electric Energy Efficiency as approved in Decision No. 71819.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company, and/or the price of, or revenue from, gas sales or service sold and/or the volume of gas sales generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Tariff No.: Rider R-2 DSMS  
Effective: January 23, 2012  
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**REDLINED**



UNS Electric, Inc.  
Rider R-2  
Demand Side Management Surcharge (DSMS)

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APPLICABILITY

The Demand Side Management Surcharge (DSMS) applies to all customers, except customers who take service under the Customer Assistance Residential Energy Support (C.A.R.E.S) pricing plan or Low income Medical Life Support Program (C.A.R.E.S.-M) pricing plan in all territory served by UNS Electric, Inc. as mandated by the Arizona Corporation Commission, unless otherwise specified. C.A.R.E.S. and C.A.R.E.S.-M customers are exempt from any DSM surcharge.

RATE

The following DSM Surcharge is effective January 23, 2012 ~~une 1, 2011 through December 31, 2012~~. The DSMS shall be applied to all monthly net bills except for C.A.R.E.S. customer at the following rate:

All kWh @ \$0.0043823773 per kWh

REQUIREMENTS

The UNS Electric, Inc. DSMS will be calculated and filed with the Arizona Corporation Commission (ACC) for approval on or before June April 1st. The ACC will approve the surcharge to be billed to all applicable pricing plans for twelve (12) months beginning each ~~June~~ January 1. These requirements are pursuant to the rule making on Electric Energy Efficiency as approved in Decision No. 71819.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company, and/or the price of, or revenue from, gas sales or service sold and/or the volume of gas sales generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Filed By: Raymond S. HeymanKentton C. Grant  
Title: Senior Vice President, General Counsel of Finance and Rates  
District: Entire Electric Service Area

Tariff No.: Rider R-2 DSMS  
Effective: June 1January 23, 2012  
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